

**VEHICLE OPERATIONS & MAINTENANCE  
“DRAFT” AWARD FEE PLAN**

**AWARD-FEE PLAN  
VEHICLE OPERATIONS, MAINTENANCE AND ANALYSIS CONTRACT  
WRIGHT PATTERSON AIR FORCE BASE OHIO**

**.0 INTRODUCTION**

This award-fee plan is the basis for the 88<sup>th</sup> Transportation Squadron/LGTQ evaluation of the contractor’s performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). The specific criteria and procedures used to assess the contractor’s performance and to determine the amount of award fee earned are described herein. All FDO decisions regarding the award fee, including but not limited to: the amount of the award fee, if any; the methodology used to calculate the award fee; the calculation of the award fee; the contractor’s entitlement to the award fee; and the nature and success of the contractor’s performance, shall not be subject to the “Disputes” clause nor reviewed by any Board of Contract Appeal (BCA), court, or other judicial entity.

The award fee will be provided to the contractor through contract modifications and is in addition to the Fixed Price provisions of the contract. The award fee earned and payable will be determined by the FDO based upon review of the contractor’s performance against the criteria set forth in this plan. The FDO may unilaterally change this plan prior to the beginning of an evaluation period. The contractor will be notified of changes to the plan by the Contracting Officer, in writing, before the start of the effected evaluation period. Note that unilateral changes to Special Interest items may be issued concurrently with the FDO decision for the prior period. Monitoring of performance on new Special Interest items will not begin until the FDO decision letter is issued. Changes to this plan that are applicable to a current evaluation period will be incorporated by mutual consent of both parties.

**2.0 ORGANIZATION**

The award-fee organization consists of: the Fee Determining Official (FDO) an Award Fee Review Board (AFRB) which consists of a chairperson, the contracting officer, a recorder, other functional area participants, and advisor members, and the performance monitors. The FDO, AFRB members, and performance monitors are listed below.

88 ABW/CV	FDO	
88 LOG/LG	Chairman	
88 CEG/CEZ	Member	
88 TRNS/LGT (Chief QAE)	Member	
445 MS/CC	Member	
AFMC Protocol Office	Member	
88 ABW/PKS, Contracting Officer	Member	
88 ABW/PKS, Contract Administrator		Recorder
88 TRNS/LGTQ	Advisor/Monitor	

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Unit Vehicle Control Officers

Monitors

### 3.0 RESPONSIBILITIES

a. Fee Determining Official. The FDO approves the award-fee plan and any significant changes. The FDO reviews the recommendation(s) of the AFRB, considers all pertinent data, and determines the earned-award-fee amount for each evaluation period.

b. Award Fee Review Board. AFRB members review performance monitors' evaluation of the contractor's performance, consider all information from pertinent sources, prepare interim performance reports, and arrive at an earned-award-fee recommendation to be presented to the FDO. The AFRB will also recommend changes to this plan.

c. AFRB Recorder. The AFRB recorder is responsible for coordinating the administrative actions required by the performance monitors, the AFRB and the FDO, including: 1) receipt, processing and distribution of evaluation reports from all required sources; 2) scheduling and assisting with internal evaluation milestones, such as briefings; and 3) accomplishing other actions required to ensure the smooth operation of the award fee.

d. Contracting Officer. The CO is the liaison between contractor and Government personnel.

e. Performance Monitors. Performance monitors maintain written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. Prepare interim and end-of-period evaluation reports as directed by the AFRB.

### 4.0 AWARD-FEE PROCESSES

a. Available-Award-Fee Amount. The earned award fee will be paid based on the contractor's' performance during each evaluation period. The available award fee for each evaluation period is shown below.

#### AWARD FEE SCHEDULE

EVALUATION PERIOD			MAXIMUM AWARD
BASIC	1 APR 02	30 SEP 02	\$125,000
	1 OCT 02	31 MAR 03	\$125,000
OPTION I	1 APR 03	30 SEP 03	\$125,000
	1 OCT 03	31 MAR 04	\$125,000

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OPTION II	1 APR 04	-	30 SEP 04	\$125,000
	1 OCT 04	-	31 MAR 05	\$125,000
OPTION III	1 APR 05		30 SEP 05	\$125,000
	1 OCT 05		31 MAR 06	\$125,000
AWARD				
TERM I	1 APR 06		30 SEP 06	\$125,000
	1 OCT 06		31 MAR 07	\$125,000
AWARD				
TERM II	1 APR 07		30 SEP 07	\$125,000
	1 OCT 07		31 MAR 08	\$125,000
AWARD				
TERM III	1 APR 08		30 SEP 08	\$125,000
	1 OCT 08		31 MAR 09	\$125,000

b. **Evaluation Criteria.** If the CO does not give specific notice in writing to the contractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding period will be used in the following award-fee evaluation period. Unilateral changes may be made to the award fee plan if the contractor is provided written notification by the Contracting Officer (CO) before the start of the upcoming evaluation period. Note that unilateral changes to Special Interest items may be issued concurrently with the FDO decision for the prior period. Monitoring of performance on new Special Interest items will not begin until the FDO decision letter is issued. Any other changes affecting the current evaluation period must be by bilateral agreement.

c. **End-Of-Period Evaluations.** Performance monitors submit their evaluation reports to the AFRB within 15 calendar days after the end of the evaluation period. The AFRB recorder notifies each AFRB member and advisors five calendar days before the meeting date and provides them with an evaluation package. The AFRB prepares its evaluation report and recommendation of earned award fee. The AFRB meets and recommends evaluation and amount for the period. The AFRB Recorder prepares the evaluation report and recommendation and forwards to the FDO. At this time, the AFRB may also recommend any significant changes to the award-fee plan for FDO approval. The FDO determines the overall grade and earned-award-fee amount for the evaluation period within 45 calendar days after the end of each evaluation period. The AFRB recorder is responsible for preparing all written documentation/ correspondence regarding the FDO determination. When a fee other than that which was recommended by the AFRB is awarded the FDO will provide the AFRB with rationale to support the determination. A letter is then sent to the contractor notifying them of the award-fee decision and asking them to invoice the approved award-fee amount. The invoices are then certified and sent to DFAS. A modification is prepared to deobligate the remaining amount.

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d. The following standards of performance shall be employed in determining whether and to what extent the contract has earned and shall be entitled to receive any award fee.

(1) **Unsatisfactory Performance:** Contractor’s performance of most contract tasks is inadequate and inconsistent. Duality, responsiveness, and timeliness in many areas require attention and action. Corrective actions have not been taken or are ineffective. Overall unsatisfactory performance shall not earn an award fee.

(2) **Satisfactory Performance:** Contractor’s performance of most contract tasks is adequate with some tangible benefits to the Government due to contractor’s effort or initiative. Although there are areas of good or better performance, these are more or less offset by lower-rated performance in other areas. Overall satisfactory performance shall not earn an award fee.

(3) **Very Good Performance:** Contractor’s performance of most contract tasks is consistently above standard and provides significant tangible and intangible benefits to the Government (e.g., improved quality, responsiveness, increased timeliness, or generally enhanced effectiveness of operations). Although some areas may require improvement; these areas are minor and are more than offset by better performance in other areas. Few, if any, recurring problems have been noted, and contractor takes satisfactory corrective action. Overall very good performance shall earn up to 75 percent of the award fee.

(4) **Excellent Performance:** Contractor’s performance of virtually all contract tasks is consistently noteworthy and provides numerous significant, tangible or intangible, benefits to the Government. The few areas for improvement are all minor. There are no recurring problems. Contractor’s management initiates effective corrective action whenever needed. Overall excellent performance shall earn 76 to 100 percent of the award fee.

e. **Contractor’s Self-Assessment.** The contractor’s self-evaluation is submitted to the CO within five working days after the end of the evaluation period. This written assessment of the contractor’s performance throughout the evaluation period may also contain any information that may be reasonably expected to assist the AFRB in evaluating the contractor’s performance. The contractor’s self-assessment may not exceed 10 pages. The contractor may be invited to present an informal briefing to the AFRB, not to exceed 15 minutes. After the contractor’s briefing, the contractor shall be excused.

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**AWARD-FEE PLAN CHANGE PROCEDURE**

Forward all significant changes to the FDO for approval; other changes are approved by the AFRB Chairperson. After approval, the CO shall notify the contractor in writing of any change(s). Unilateral changes may be made to the award-fee plan if the contractor is provided written notification by the contracting officer before the start of the upcoming evaluation period. Note that unilateral changes to Special Interest items may be issued concurrently with the FDO decision for the prior period. Monitoring of performance on new Special Interest items will not begin until the FDO decision letter is issued. Changes effecting the current evaluation period must be by mutual agreement of both parties.

**CONTRACT TERMINATION**

If the contract is terminated for the convenience of the Government after the start of an award-fee evaluation period, the award fee deemed earned for that period shall be determined by the FDO using the normal award-fee evaluation process. After termination for convenience, the remaining award-fee amounts allocated to all subsequent award-fee evaluation periods cannot be earned by the contractor and, therefore, shall not be paid.